FD-350 (Rev. 7-16-63)

(Mount Clipping In Space Below)

Mr. Tolson
Mr. DeLoach
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Felt
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Mr. Walters
Tele. Room
Miss Holmes
Miss Gandy

'BUGGING' BARED AT LAS VEGAS

BY LESLIE H. WHITTEN
Hearst Headline

WASHINGTON, Dec. 1. — A Senate Judiciary Subcommittee has uncovered electronic bugging of Las Vegas gambling casinos. Open hearings by the committee are "probable" early next year.

Bernard Fensterwald, Jr., chief counsel of the administrative practices subcommittee, confirmed that committee investigators have been in Las Vegas. Fensterwald said "we have possession of some of the wiretap equipment used."

The full subcommittee, headed by Sen. Edward V. Long (D-Mo.), will make the final decision on whether the committee opens the Las Vegas Pandora's box. Fensterwald, asked what the outlook was, said, "I'd say we'd probably have hearings in January or February."

THE EVIDENCE turned up by committee investigators "leads us to believe that law enforcement men were doing the bugging," said Fensterwald. Previous hearings by the subcommittee showed wiretapping and bugging in a half dozen cities by the Internal Revenue Service, local authorities and other government agencies.

Fensterwald said the committee probably will hold hearings on wiretaps and bugging — plus "harassment" by IRS agents — in San Francisco. The West Coast hearings would last about three days, he said.

The harassment, he said, involved "saturation" investigations which means checks on back accounts, questioning of friends, business acquaintances and relatives and some surveillance, sometimes over a period of years.

IRS Commissioner Sheldon Cohen and his predecessor Mortimer Caplin, both will be called, said Fensterwald.

When the committee finishes its probe of government bugging, it will turn to the controversial subject of industrial security and espionage, said Fensterwald.

The committee has evidence of electronic snooping in the drug, chemical and utilities industries, he added. Cases have turned up on the West Coast as well as along the Eastern seaboard, he said.

One incident the committee probers have studied, said Fensterwald, is the celebrated "Mayflower" bugging case, "in which a tiny radio transmitter was placed in the plush Mayflower Hotel suite here of a lawyer handling a multi-million-dollar natural gas suit. The lawyer, who was pressing his company's case before the Federal Power Commission, called in a private detective who found a "bug" beneath his coffee table.

TWO EX-FBI agents and a professional electronic snooper were convicted in the case, but one of the agents won a reversal. The lawyer's client was in a fight with another natural gas supplier for the giant Southern California gas market.

The Senate subcommittee went into industrial security briefly in hearings earlier this year. It is seeking to determine whether new laws are needed to guarantee the privacy of citizens against space-age electronic snooping devices.

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File 8-

Alleged Bribery and Intimidation of Witness
Wire Tap Room 633 Mayflower Hotel Wash
4/4/62

Author to LV. 12/10/65 TBC

(Indicate page, name of newspaper, city and state.)

12 POST INTELLIGENCER
SEATTLE WASHINGTON

Date: 12/2/65
Edition: SUNRISE EDITION
Author:
Editor:
Title: Wire Tapping

Character:
or
Classification: 66-2429
Submitting Office: SEATTLE

☐ Being Investigated

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0-19 (Rev. 3-2-62)

Police to Get Data On Force Member's Possible 'Bug' Role

Private Detective Is Forced to Testify Before Grand Jury

By Leslie H. Whitten
Staff Reporter

The United States Attorney's Office is turning over to the Metropolitan Police Department information concerning possible involvement of a police detective in the Mayflower Hotel "bugging" case.

The information was developed in part from testimony before a District grand jury yesterday by a licensed private investigator, Wayne G. Barber, 33. Barber testified for more than an hour after District Court Judge Edward A. Tamm ordered him to do so. He had refused to testify even after the United States Attorney's office promised him immunity from criminal prosecution.

But faced with a contempt citation and a possible jail term, Barber testified.

Other Testimony

The grand jury also heard another witness, whose name was not disclosed, and is expected to hear others.

Police Chief Robert V. Murray said last night that he has not yet received information based on the grand jury quiz of Barber, but that the United States Attorney's Office might have contacted other police officials.

The case stems from discovery last month of a tiny microphone-transmitter in the suite of a West Coast power combine lawyer and of an FM receiver and a tape recorder in a room nearby. The lawyer, Malcolm T. Dungan, was granted an injunction against two private detectives, John W. Leon and Oliver W. Angelone, and attorney John J. Frank. The order bans electronic eavesdropping.

The grand jury is now investigating to see whether violations may have occurred under housebreaking, Federal Communications and conspiracy statues.

Report on "Bug" Loan

Barber's name came into the case through a report that he provided the "bug" found beneath Dungan's coffee table. The report, still under investigation by the U. S. Attorney's Office, indicated that Barber lent the "bug" to a Metropolitan police detective without knowing where it would be used.

Last Friday, Barber, whose office is at 1507 M st. nw., invoked the Fifth Amendment before the grand jury on questions relating to the origin of the "bug." Yesterday he was summoned again, and again he claimed the Fifth Amendment's protection against self-incrimination despite promises of immunity.

United States Attorney David C. Acheson, in a 5-minute whispered bench conference with Judge Tamm, asked Tamm to compel Barber to testify. The Judge did so.

Rutherford Day, Barber's lawyer, said in the face of the Judge's order: "I'm not going to see this man staying in jail for an indefinite stretch for contempt of court. If it were 10 days, it would be one thing, but this could be 10 months."

Testifies for an Hour

Acting on Day's advice, Barber then went back into the grand jury room and testified for more than an hour. Day would not discuss Barber's testimony. Barber was also questioned at length by the United States Attorney's Office after the jury session.

Barber told reporters he was asked whether he had transferred a microphone-transmitter to anyone and where — if he knew — the money for the "bugging" came from. Day said his client cooperated.

Dungan, an attorney for El Paso Natural Gas Co., has claimed the "bug" was being used to monitor his business conversations. He has a multi-million dollar case before the Federal Power Commission and is opposed by other major natural gas interests.

Also interviewed by the United States Attorney's office was Edward L. Carey, attorney for Frank, Angelone and Leon in the civil suit filed against them by Dungan.

Day told reporters after Barber testified that he is hiring private guards "as a precaution" for his client. He said the emotional strain on Barber since police began questioning him a week ago led Barber to consult a physician, who has put him under medication.

According to a source in Acheson's office, the grand jury probe should end within a week.

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The Washington Post and Times Herald
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The New Leader
The Wall Street Journal
The National Observer
Date MAY 4 1962

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0-19 (Rev. 12-14-64)

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Verdict Reversed

Government Hit in Bugging Case

By J. W. MAXWELL

The Government may not compel a person to give self-incriminating testimony even if he's already been incriminated, the U.S. Court of Appeals ruled yesterday.

The case involved three private detectives convicted of vilating Federal communications regulations in the notorious Mayflower Hotel "bugging."

The court upheld the convictions of John J. Frank and John W. Loen, and said that the evidence supported the guilty verdict against Oliver W. Angleone, too.

ASTRAY

But, it said, the Government went astray with Angelone after the convictions when it called him before a grand jury still probing the bugging episode. When Angelone took the Fifth Amendment, he was taken before a judge and ordered to testify uder a pledge that he could not be prosecuted.

Since he did testify, the Appeals court said, the Government had to fulfill its bargain just as if he had not yet faced a trial. It ordered the case against Angelone dismissed.

The bugging was in April, 1962. A device was found in the suite of an El Paso Natural Gas Co., lawyer. El Paso was then competing before the Federal Power Commission against Tennessee Gas Transmission Corp., for rights to supply gas to the lucrative Southern California market.

PROBE

U. S. marshals seized the equipment. Before and after the convictions of Frank, Angelone, and Leon, a special grand jury here probed the affair and hordes of top executives of Tennessee Gas Transmission were called to testify.

No one has been charged with hiring the three private detectives for the espionage.

The three were convicted of operating a radio transmitter without a station license or operator's license and on a frequency reserved for air traffic control. Each was sentenced to a year in jail and fined $500.

File 63-7612

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The Washington Post and Times Herald
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The Evening Star
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Court Refuses to Uphold Conviction Of Detective in Mayflower Bugging

By Jack C. Landau
Washington Post Staff Writer

The U.S. Court of Appeals refused yesterday to uphold the conviction of Oliver W. Angelone, a private detective in the Mayflower Hotel bugging case, because the detective was later made to tell a grand jury about the incident under a cloak of immunity.

At the time of his grand jury appearance, the defendant was appealing his conviction on Federal Communications Act violations.

The 2-to-1 decision of the Court was that the exemption from penalties accorded to persons testifying with immunity applied retroactively in the detective's case.

Circuit Judge Charles Fahy's opinion was that the immunity law is a bargaining tool which the government uses to obtain evidence in return for not prosecuting a key witness on the basis of his grand jury testimony.

In the case of Angelone, Judge Fahy said, there was no bargain, since Angelone had been convicted and could gain nothing by giving up his Fifth Amendment right to silence.

The Court upheld the convictions of the other two defendants in the case, John J. Frank and John W. Leon. But it ruled that unless the Government requested a chance to prove that none of Angelone's grand jury testimony implicated him in the Mayflower case or some other law violation, his conviction would be reversed.

Judge Wilbur K. Miller joined Judges Fahy and J. Skelly Wright in upholding the Frank and Leon verdicts, but dissented in the Angelone ruling.

In arguing for Angelone's conviction to be upheld, the government said that there was no violation of the self-incrimination protection because Angelone had already been convicted and couldn't have been convicted a second time for the same crime. In addition, the government said that since he was granted immunity, he couldn't have been indicted for any other crime which his testimony might have brought out. The grand jury was investigating other aspects of the bugging incident.

The three men had been convicted on charges of violating the Federal Communications Act by broadcasting on a small FM set which was found taped underneath a coffee table in a Mayflower Hotel suite in April, 1962. Each was sentenced to one year in prison and a $500 fine.

The suite was being used by a San Francisco lawyer who was representing the El Paso Natural Gas Co. in hearings before the Federal Power Commission for a rich pipeline franchise into Southern California. Discussions about legal strategy took place in the suite. After the bug was discovered, a small FM receiving set was found in an adjoining room.

The Washington Post and Times Herald
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Court Refuses to Uphold Conviction Of Detective in Mayflower Bug Case

A-1

By Jack C. Landau
Washington Post Staff Writer

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See BUG, A11, Col. 1

The Justice Department calls for a law to permit the granting of immunity from prosecution to witnesses in exchange for their testimony. Page A5.

BUG—From A1

Bug Case Conviction Is Upset

ed underneath a coffee table in a Mayflower Hotel suite in April, 1962. Each was sentenced to one year in prison and a $500 fine.

The suite was being used by a San Francisco lawyer who was representing the El Paso Natural Gas Co. in hearings before the Federal Power Commission for a rich pipeline franchise into Southern California. Discussions about legal strategy took place in the suite. After the bug was discovered, a small FM receiving set was found in an adjoining room.

There are several immunity laws in the U.S. statutes. They are normally used to give protection to a grand jury witness who testifies during an investigation and helps the grand jury gain evidence against conspirators. The grand jury may indict the other conspirators, but because of the immunity, it is preluded from indicting the witness.

One of the most recent immunity laws was put into the 1963 anti-crime bill aimed at organized racketeering. The Justice Department now wishes to amend this statute to cover Federal bribery, graft, conflict of interest and interstate narcotics traffic, bankruptcy frauds and security frauds.

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The Washington Post and Times Herald A-1
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People's World
Date 4/23/65

0-19 (Rev. 5-27-63)

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Shimon Sentenced Up to Four Years In Hotel 'Bugging'

By Charles Rabb
Staff Reporter

Retired Police Insp. Joseph W. Shimon was sentenced to 16 months to 4 years in prison and fined $2500 yesterday for his role in the Mayflower Hotel "bugging" case.

Rejecting Shimon's appeal for a suspended sentence, U. S. District Court Judge William B. Jones called the former inspector's conspiracy conviction "a poison to the very system of justice" he was sworn to uphold.

The 57-year-old Shimon was convicted last July 14 of conspiring to induce private detective Wayne G. Barber to lie to a grand jury about ownership of a tiny transmitter that was found in 1962 in the suite of Malcolm T. Dungan, a San Francisco attorney. Shimon was also found guilty of attempting to carry out the conspiracy.

Judge Jones handed out identical prison terms on each count, but said the sentences would run concurrently.

A dapper figure in a dark business suit, the graying ex-inspector fidgeted nervously with his fingers as sentence was pronounced.

His attorney, C. William Taylor, said an appeal was planned. Shimon's personal bond was continued.

Before sentencing, Tayler told the court that if there was to be any "balance" in handing out punishment, then a suspended sentence was indicated. Others who were involved in the incident received little or no punishment, he said.

"Joseph W. Shimon was one of the department's truly outstanding officers," Tayler declared. "This one episode should not wipe out 33 years of splendid service to the community and the Metropolitan Police force."

But Judge Jones noted that Shimon held a rank just below deputy chief and stressed the critical role of the grand jury.

Three private detectives already have been convicted of operating the electronic eavesdropping device in violation of the Federal Communications Act.

But the final chapter in the complex story remains to be written. Still unclear is who initiated the bugging of Dungan's suite. The attorney at the time was representing El Paso Natural Gas Co. in Federal Power Commission hearings on a $160-million pipeline franchise application.

JOSEPH W. SHIMON
. . . sentenced.

The Washington Post and Times Herald
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The Evening Star
New York Herald Tribune
New York Journal-American
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The Wall Street Journal
The National Observer
People's World
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0-19 (Rev. 5-27-63)

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~~Bug~~ Case Ready for Jury

Judges Testify for Ex-Insp. Shimon

By J. W. MAXWELL

The case against former District Police Insp. Joseph W. Shimon was expected to go to the jury late today or tomorrow.

The defense rested yesterday saying that if three private detectives convicted in the notorious Mayflower Hotel bug case had been called to testify they would not have.

District Judge William B. Jones told the jury that the detectives would have been allowed to plead the Fifth Amendment against self-incrimination. Mr. Shimon is charged, as were the detectives, with operating a radio on a frequency reserved for air traffic control and with obstructing justice.

TESTIMONY

Mr. Shimon admitted he arranged to get the bug for one of the convicted private detectives—an old friend, Oliver W. Angelone, but claimed he was never involved in its actual installation or operation in the Mayflower Hotel from March 31 thru April 4, 1962. In fact, he said, he was never in the hotel during those days.

He also denied that he urged the original owner of the bug, another private detective named Wayne Barber, to lie to a grand jury to get him off the hook.

The case pretty much boils down to Mr. Shimon's word against Mr. Barber's and several other witnesses, including a former police detective, John A. Jones, who testified he acted as Mr. Shimon's go-between to Mr. Barber.

Mr. Shimon brought in several character witnesses who said his "reputation in the community for truth and honesty" was excellent.

Among those who testified for him were Insp. Richard J. Felber and Judge Thomas C. Scalley of the Court of General Sessions. And Judge Jones allowed a deposition saying that vacationing District Judge Edward M. Curran also backed Mr. Shimon's reputation.

Earlier in the trial, Mr. Shimon's reputation was similarily attested by Deputy Chief John A. Winters and retired Judge Nathan Caton of the Court of General Sessions.

The Washington Post and Times Herald
The Washington Daily News 12
The Evening Star
New York Herald Tribune
New York Journal-American
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New York Daily News
New York Post
The New York Times
The Worker
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The Wall Street Journal
The National Observer
People's World
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Shimon Takes Stand, Denies Bugging Role

Former Police Inspector Joseph W. Shimon took the stand in his own defense yesterday in the complex Mayflower Hotel bugging case and denied he participated in the 1962 episode.

Shimon is on trial before U.S. District Court Judge William B. Jones. He is charged with operating the electronic eavesdropping device in violation of the Federal Communication Act, and with conspiring to induce a witness to lie to the Grand Jury.

"I was not in the Mayflower Hotel at any time" from March 31 to April 4, 1962 when the incident took place, he said.

Shimon said he lent a small FM bug to private detective Oliver W. Angelone, who said he wanted to investigate the rumor of a payoff to the Federal Power Commission.

Angelone, and two other private detectives, John J. Frank and John W. Leon, were convicted in U.S. District Court last month of illegally operating the bug found hidden in the lawyer's suite.

The lawyer, Malcom P. Dungan, was representing El Paso Natural Gas Co. in a $140 million pipeline application before the Federal Power Commission.

Under direct examination by defense attorney C. William Tayler, Shimon said that Angelone had a client who wanted to investigate the payoff rumor. "I told him" (Angelone), Shimon testified, "that if he did work up a case where he knew that somebody was going to pass money to the FPC, I would put as many men as he needed on it to get an arrest."

However, Shimon said that he "never discussed" where the bugging device was to be used and that he had no further contact with Angelone from March 31 to April 4.

Asked by government prosecutor Harold J. Sullivan why he did not report the payoff rumor to police officials, Shimon replied: "I did not have the elements to make out a full report."

Shimon said that private detective Wayne G. Barber lent him a bug similar to the one found in the Mayflower. Barber denied owning the bug in testimony before the grand jury. The former police inspector insisted that he persuaded Barber to visit the U.S. Attorney's office and "straighten it out."

The trial will resume at 10 a.m. today.

File 63-7612 6-B

The Washington Post and Times Herald
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New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
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The Wall Street Journal
The National Observer
People's World
Date

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0-20 (Rev. 10-15-62)

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Douglas Price Weaver

UPI-76
(BUGGING)
WASHINGTON.--THREE PRIVATE DETECTIVES CONVICTED OF "BUGGING" A LOCAL HOTEL ROOM IN AN INDUSTRIAL ESPIONAGE SCHEME TWO YEARS AGO WERE SENTENCED TODAY TO A YEAR IN JAIL AND FINED $500 EACH.
JOHN J. FRANK, JOHN LEON AND OLIVER ANGELONE WERE CONVICTED APRIL 21 OF VIOLATING THREE FEDERAL COMMUNICATIONS COMMISSION REGULATIONS; OPERATING A RADIO WITHOUT A LICENSE; BROADCASTING WITHOUT A LICENSE; AND TRANSMITTING ON A FREQUENCY RESERVED FOR AIR TRAFFIC CONTROL.
FEDERAL JUDGE EDWARD A. TAMM ALLOWED THE TRIO TO REMAIN FREE ON BOND PENDING APPEAL.
THE MAYFLOWER HOTEL ROOM WITH THE SECRET LISTENING DEVICE WAS OCCUPIED BY A LAWYER APPEARING BEFORE THE FEDERAL POWER COMMISSION IN A CASE INVOLVING THE AWARD OF THE FRANCHISE TO SUPPLY THE LUCRATIVE SOUTHERN CALIFORNIA MARKET FOR EL PASO NATURAL GAS COMPANY.
DURING THE GRAND JURY PROBE, DOZENS OF EXECUTIVES OF EL PASO'S COMPETITION, TENNESSEE GAS TRANSMISSION CORP., WERE CALLED TO TESTIFY, BUT NONE HAS YET BEEN INDICTED.
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WASHINGTON CAPITAL NEWS SERVICE

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Hotel 'Bugging' Case Finally Goes to Jury

A-3

The Mayflower Hotel bugging case was sent to the jury yesterday for a verdict on whether three private detectives illegally monitored conversations held in 2 lawyer's hotel suite.

Judge Edward A. Tamm of the U.S. District Court charged the five men and seven women and then allowed them to go for the night after the defense and prosecution had summed up their cases.

Thet three defendants are Oliver W. Angelone, John W. Leon and John J. Frank.

They are charged with misdemeanor violations of the Federal Communications Act in operating a small F.M. transmitter hidden underneath a coffee table in an attorney's Mayflower Hotel suite.

The bug was discovered on April 5, 1962, along with F.M. receiving equipment located in a nearby room.

The hotel suite was being used by a San Francisco attorney for meetings in connection with an application by the El Paso Natural Gas Co. to the Federal Power Commission. El Paso sought a multimillion dollar natural gas pipe line franchise to serve the southern California market.

Assistant U.S. Attorney Harold J. Sullivan pointed out that several government witnesses had placed all three defendants in the room with the receiving equipment. He told the jury that Angelone and Frank were seen by a maid leaving the lawyer's hotel suite.

The government prosecutor also said witnesses had testified that the transmittor was capable of broadcasting through the heavy girders and concrete super structure of the hotel.

Defense attorney Edward L. Carey argued that, from the maid's testimony, she could not have seen Angelone and Frank leave the suite. In addition, he pointed out that no witness saw any of the defendants enter the lawyer's suite or ever touch the bug.

Carey ended his summation by insisting that "listening is no crime."

This was MPD and FCC matter

File 63-7612 6-15

The Washington Post and Times Herald A-3
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
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New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
People's World
Date 4/21/64

NOT RECORDED
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0-19 (Rev. 10-15-62)

FCC - METROPOLITAN POLICE DEPARTMENT MATTER

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Police in Plane Tested Range Of Hotel 'Bug'

District police detectives have testified they took to the sky to check out a tiny transmitter allegedly used to "bug" the Mayflower Hotel suite of an attorney in late March and early April of 1962.

Charged in the United States District Court trial with operating the bugging device in violation of the Federal Communications Act are Oliver W. Angelone, John W. Leon and John J. Frank. The transmitter, it is charged, was operating on a frequency reserved for aircraft radios.

Police testified yesterday they and an FCC official tested the transmitter at an airport in Beltsville, Md. One detective sent out voice transmissions from the bug at the airport and another detective said he could pick them up in a plane flying at 10,000 feet and some five miles distant.

Malcolm T. Dungan has testified he was in town at the time of the alleged bugging, representing the El Paso Natural Gas Co. in proceedings before the Federal Power Commission. He said the firm was seeking a multi-million-dollar pipeline franchise into Southern California. The transmitter or bug was found taped under a coffee table in the Dungan suite.

Assistant United States Attorney Harold J. Sullivan questioned United States Deputy Marshal J. Leo Kolb, who testified he impounded a radio and a tape recorder from the Mayflower room allegedly occupied by the defendants. It was located a few doors down the hall from the Dungan suite. The Government was to continue its case today, which is in its fourth day before Judge Edward A. Tamm.

Douglas Price Weaver

File 63-7612 6B

The Washington Post and Times Herald
The Washington Daily News
The Evening Star A2
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 4-15-64

353

53 APR 23 1964

163-7612-A
NOT RECORDED
46 APR 22 1964

0-19 (Rev. 5-27-63)

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Witness Says He Aided In Mayflower 'Bugging'

By WILLIAM BASHAM
Star Staff Writer

A witness who said he was once employed by the Central Intelligence Agency testified today in United States District Court that two or three private detectives on trial operated a listening device with him in connection with the Mayflower "bugging" case.

The defendants are Oliver W. Angelone, John W. Leon, and John J. Frank. They are accused of slipping into a private attorney's room, planting a transmitter, and operating a listening device in their own room.

Douglas P. Weaver, who said he was an economist, testified he was present in a room of the Mayflower with one of the detectives and former Police Inspector Joseph W. Shimon when the "photo-copying of some papers" was being done a "couple of weeks' before the bugging incident.

Sought Pipeline Franchise

The detectives are charged with illegally setting up a tiny transmitting device in March, 1962, in the Mayflower suite of attorney Malcolm T. Dungan. The lawyer, was in town representing the El Paso Natural Gas Co., before the Federal Power Commission. The firm was seeking a multi-million dollar pipeline franchise into California.

Mr. Weaver testified before the jury after Judge Edward A. Tamm signed an order compelling him to answer questions by Assistant United States Attorney Harold J. Sullivan. Accordingly, the witness now cannot be charged with any crime growing out of today's testimony, with the exception of the charge of perjury.

Mr. Weaver described his connection with the detectives as a "loose association" and said he signed in at the Mayflower as "D. P. Baxter" on March 1, 1962. The room was close to the suite occupied by Mr. Dungan and the witness said he turned the key of his rented room over to Mr. Frank and Mr. Angelone.

Says He Saws 3 in Room

Later that day, he said, he saw the two detectives and Mr. Shimon in the room. He said Mr. Shimon was holding a transmitter in his hands.

Mr. Weaver said he was in the rented room on and off for five days. He said the voices he heard coming over the receiver appeared to be discussing "negotiations before an administrative agency."

He said he had received phone calls from Mr. Shimon during their five-day stay at the hotel and that their password for getting into their room was "Sweeney."

The economist, who said he sometimes left the hotel by the fire escape, talked of his being present with Mr. Shimon and Mr. Angelone when some photocopies of documents in another room of the hotel were being made two weeks before the alleged bugging incident. He did not elaborate.

Is Under Indictment

Mr. Shimon now is under indictment on a charge of conspiring to obstruct justice and causing the operation of a "bug" in connection with the Mayflower case. But he is not a defendant in this trial, now in its second day.

Mr. Dungan, who took the stand later in the day, confirmed that the transmitting device had been found under a coffee table in his suite.

After the discovery, he said he walked out of the suite and down the corridor to a point near the room the detectives allegedly rented. He said he could hear the voice of a guest in his suite coming out of "Room 639."

63-7600

The Washington Post and Times Herald
The Washington Daily News
The Evening Star B-1
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
People's World
Date APR 13 1964

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Trial Opens for 3 Accused Of 'Bugging' Hotel Room

By WILLIAM BASHAM
Star Staff Writer

The long-awaited Mayflower Hotel "bugging" trial began today in United States District Court with three private detectives charged with illegally setting up a tiny transmitting device in the hotel room of an attorney.

The attorney, Malcolm T. Dungan, was staying at the Mayflower in late March, 1962, while seeking a multi-million dollar pipeline franchise for the El Paso Natural Gas Co., in hearings before the Federal Power Commission.

Assistant United States Attorney Harold J. Sullivan, in an opening statement today, said the defendants, Oliver W. Angelone, John W. Leon and John J. Frank, rented a room near the Dungan suite, then slipped into the attorney's room, planted the transmitter and operated a listening device in their own room.

Shimon Is Spectator

Mr. Sullivan said the device was operated without a license and on a frequency reserved for aircraft radios, constituting two violations of the Federal Communications Act.

A retired Washington police inspector, Joseph W. Shimon, under indictment on a charge of conspiring to obstruct justice and operating a "bug" in connection with the Mayflower case, was a spectator in the courtroom but not a defendant in today's trial.

Today's first witness in the trial before Judge Edward A. Tamm was Metropolitan Police Pvt. John L. Bennett, wh said he roomed during the time of the alleged incident with a private detective named Wayne G. Barber. He said a trasnmitter and a small antenna shown to him by Mr. Sullivan appeared to be the same equipment on which he had worked at their apartment.

Links Barber to Jones

Pvt. Bennett, who said he never operated the device, told the jury he saw Mr. Barber turn over a transmitter, a tape recorder, and two receivers to John A. Jones, a District police detective now retired. He said this was done at a District restaurant parking lot in late March, 1962.

Mr. Jones, now of St. Petersburg, Fla., confirmed on the stand that Mr. Barber had given him the equipment. Mr. Jones last month pleaded guilty to operating a bugging device.

Mr. Shimon is charged in an indictment with conspiring to obstruct justice by attempting to persuade Mr. Barber to lie to the grand jury that had been investigating the Mayflower case.

63-7612

The Washington Post and Times Herald
The Washington Daily News
The Evening Star — A FINAL
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
People's World
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Maid Links Detectives To 'Bugged' Hotel Suite

Two of three private detectives charged with illegal monitoring of a lawyer's quarters in the Mayflower Hotel were identified by a maid yesterday as men she saw outside the hotel room in late March, 1962, where the "bugging" allegedly took place.

The testimony came in the opening day of trial in United State District Court.

The defendants, Oliver W. Angelone, John W. Leon and John J. Frank, rented a room near the suite of Attorney Malcolm T. Dungan, planted a transmitter in the room and operated a listening device in their own room, according to the Government.

Mr. Dungan was in Washington seeking a multimillion-dollar pipeline franchise for the El Paso Natural Gas Co., in hearings before the Federal Power Commission.

Maid's Testimony

The maid, Miss Lena Hickerson, said she was on duty at the Mayflower on March 31, 1962 and that she saw Frank come out of a sixth-floor room he is alleged to have rented and enter Mr. Dungan's suite. She said she later saw both Frank and Leon leaving the attorney's suite.

Earlier in the day, John A. Jones, a District police detective, now retired, said he received a bugging device from a private detective named Wayne G. Barber. He told Harold J. Sullivan, assistant United States attorney, that he turned the equipment over to Joseph W. Shimon, retired Washington police inspector, who is now under indictment on a charge of conspiring to obstruct justice and operating a listening device.

Mr. Shimon is charged with attempting to persuade Mr. Barber to lie to a grand jury that was investigating the Mayflower case.

Mr. Jones told Judge Edward A. Tamm that he had previously lied when he said that he and Mr. Shimon had not tried to persuade Mr. Barber to lie.

No Radio License

Mr. Sullivan said the device was operated without a license and on a frequency reserved for aircraft radios, constituting two violations of the Federal Communications Act.

Yesterday's first witness was Police Pvt. John L. Bennet, who said he roomed during the time of the alleged incident with Mr. Barber. He said a transmitter and a small antenna shown to him by Mr. Sullivan appeared to be the same equipment on which he had worked in their apartment.

Pvt. Bennett, who said he never operated the device, told the jury he saw Mr. Barber turn over to Mr. Jones a transmitter, a tape recorder and two receivers. He said this was done at a District restaurant parking lot in late March, 1962.

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The Washington Post and Times Herald
The Washington Daily News
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New York Herald Tribune
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New York Daily News
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The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
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Ex-Detective Pleads Guilty To 'Bugging'

D-11

Retired Washington Police Det. John A. Jones yesterday pleaded guilty to a charge of operating an electronic eavesdropping device in violation of the licensing regulations of the Federal Communications Commission.

An information presented by Assistant U.S. Attorney Harold J. Sullivan accused the former policeman of operating the device on March 31, 1962—one day before police found the small FM transmitter hidden in a Mayflower Hotel suite.

Jones's plea came only a day after the dismissal of an obstruction of justice indictment against him and retired Police Insp. Joseph W. Shimon.

That indictment charged both men with attempting to induce a private detective to lie about the ownership of the "bug" to a grand jury investigating the Mayflower bugging incident.

Shimon and Jones had both told police that they acted as intermediaries in obtaining the bug from private detective Wayne G. Barber and then passed it on to private detective Oliver W. Angelone.

The obstruction of justice indictment accused both former policemen of trying to get Barber to say the bug found in the hotel room was not the one he lent to the policemen. It was in connection with this testimony that Jones was indicted for perjury. He is still under that indictment.

Angelone and two other private detectives, John J. Frank and John W. Leon, are all under indictment charged with operating the bug without an FCC license.

Judge Alexander Holtzoff took the guilty plea from Jones for the FCC misdemeanor violation which carries a maximum penalty of a $500 fine and a year in prison.

Not FBI violation, FCC.

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The Washington Post and Times Herald D-11
The Washington Daily News
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File 64

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The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 3/9/64

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0-19 (Rev. 5-27-63)

Alleged Bribery and Intimidation of Witness Regarding Wire Tap Room 633 Mayflower Hotel Wash. D.C. 4/4/62 Misc. - Info. Concerning

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Bribe to Witness Charged

A1

Attorney Indicted Again In Mayflower Bugging

By Jack Landau
Staff Reporter

The grand jury investigating the Mayflower Hotel bugging case yesterday indicted attorney John J. Frank on charges of bribing a witness not to testify before the jury.

The witness, Douglas P. Weaver, whose present address is unknown, was described in the indictment as a material witness who placed the electronic eavesdropping device in the Mayflower Hotel suite of a San Francisco lawyer in March, 1962.

Weaver, an economist whose last known address was Houston, Texas, is named as a co-conspirator in the indictment but not as a co-defendant. Last May, he was ordered to testify before the grand jury and was given immunity from prosecution.

Frank, of 7608 Columbia pike, Arlington, was indicted previously in the Mayflower case last February on charges of breaking into the hotel suite and of using the electronic bug without a broadcasting license.

Indicted along with Frank in February were Oliver W. Angelone and John W. Leon, both private detectives.

All three were scheduled to be tried in the U.S. District Court the week of Jan. 6.

Yesterday's indictment was returned before U.S. District Court Judge Richmond B. Keech. It charges Frank with obstructing justice and with conspiring to obstruct justice in attempting to make Weaver unavailable to testify at grand jury hearings and at the upcoming trial.

It accused Frank of committing 13 overt acts, including making seven payments of money to Weaver, between May 5, 1962 and May 29, 1963.

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The Washington Post and Times Herald A1
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
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New York Post
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The National Observer
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Witness Told to Testify in Bugging Case

U. S. District Court Judge William B. Jones yesterday signed an order requiring a reluctant witness in the Mayflower Hotel bugging case to testify before a grand jury.

Judge Jones signed the order after Asst. U. S. Atty. Harold Sullivan reported to the court that Douglas P. Weaver has refused to testify on the grounds of incrimination. Mr. Weaver gave his address as the 2900 block of Woodley Road nw.

The bugging device was found March 31, 1962, under a coffee table in the suite of Malcolm T. Dungan, an attorney representing the El Paso Natural Gas Co., at hearings before the Federal Power Commission. At that time the company was competing for a pipe-line franchise in the southern California market.

The grand jury is trying to find out who planted the listening device in Mr. Dungan's room.

DOUGLAS PRICE WEAVER
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The Washington Post and Times Herald
The Washington Daily News Pg 5
The Evening Star
New York Herald Tribune
New York Journal-American
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The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 8/21/63

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3 Indicted in Hotel 'Bugging'

John M. Goshko
Staff Reporter

Two private detectives and a lawyer were indicted yesterday on charges involving the "bugging" of a San Francisco attorney's suite in the Mayflower Hotel.

The indictments were returned by a District grand jury against John J. Frank, an attorney and former FBI agent; Oliver W. Angelone, a private investigator, and John W. Leon, also a private detective and dealer in electronic eavesdropping equipment.

All three had invoked the Fifth Amendment before the grand jury which has been trying to determine who planted the "bug" found last April in the hotel suite of Malcolm T. Dungan.

Yesterday's indictment alleged that the three were the individuals who actually operated the "bug." Specifically, it charged them with housebreaking and with violating various provisions of the Federal Communications Act.

At the time of the incident, Dungan was in Washington representing natural gas interests in Federal Power Commission cases involving hundreds of millions of dollars.

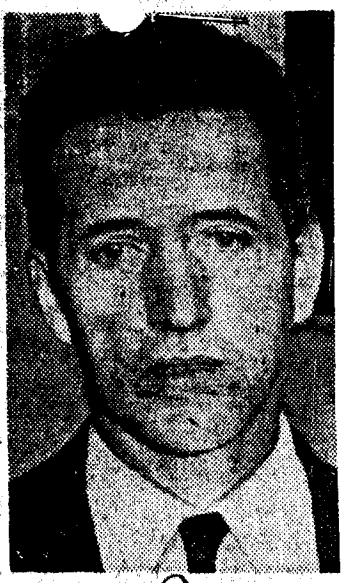
Among the cases was the competition between El Paso Natural Gas Co., which Dungan represents, and Tennessee Gas Transmission Co. for the rights to build a pipeline to serve the lucrative Southern California market for natural gas.

Several Tennessee Gas employes ranging from top management officials to secretaries have been called as witnesses by the grand jury since its investigations began last spring. Some pleaded self-incrimination and were compelled to testify under court order.

Until yesterday, however, the grand jury had indicted only two persons in the case.

They are former police Insp. Joseph W. Shimon and former police Det. John A. Jones who were charged with attempting to induce a witness, private detective Wayne Barber, to lie to the grand jury. Jones also was indicted for perjury in connection with his testimony before the jury.

Last spring, Shimon admitted in a statement to his superiors that he and Jones had been intermediaries in getting the "bug" from Barber, its owner, to its ultimate users. He denied that he had done the actual "bugging" of the hotel room.



JOHN J. FRANK
. . . indicted in

This act was charged against Frank, Angelone and Leon in the 4-count indictment issued yesterday. It charged the trio with illegally entering Dungan's room and operating the "bug" without the required licenses.

In addition, the indictment alleged that the "bugging" was accomplished through the use of FM frequencies at time intervals forbidden by Federal Communications Commission regulations.

Leading up to yesterday's indictments was a lengthy investigation that began last April 4 when Dungan obtained a court order to halt the "bugging" of his room.

He said his suspicions were aroused when he heard his voice coming from an apparent playback of a tape in a nearby room. Subsequent investigation uncovered the battery-powered "bug" under a coffee table in Dungan's room and a tape recorder and FM receiver in the nearby room.

After investigation, U. S. marshals served the court order barring electronic eavesdropping on Frank, Leon and Angelone.

Frank, 46, of 7608 Columbia

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The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

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The Washington Post

JOHN W. LEON
'bugging' case

pike, Arlington, was identified in Dungan's complaint as being in the business of "providing clients with private investigations and related services."

In 1957, he was indicted on charges of failing to register as an agent of the late Dominican Republic dictator Rafael L. Trujillo. He pleaded nolo contendere (no contest) to one count and was fined $500.

Angelone of 4753 MacArthur blvd. nw. is a licensed private detective who shared offices with Frank at 1830 Jefferson pl. nw. Leon of 9517 Justine dr., Falls Church, is owner of Allied Investigation Equipment Co. with offices in the Dupont Circle Building.

Harold J. Sullivan, the assistant United States attorney handling the case, said last night that the grand jury had not completed its investigations. He said the panel expected to hear about six more witnesses but would not identify them.

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Jury Indicts Shimon in 'Bug' Case

Accused With Aide In Plot to Hinder Eavesdrop Probe

By John M. Goshka
Staff Reporter

Former police Insp. Joseph W. Shimon and former Det. John A. Jones were indicted by a District grand jury yesterday for conspiring to obstruct the jury's investigation of the Mayflower Hotel "bugging" case.

Shimon, 55, and Jones, 50, were charged with attempting to induce a key Government witness, private detective Wayne G. Barber, to lie to the grand jury. Jones previously had been indicted for perjury before the grand jury in the same case.

In a related development, a District Court judge signed an order compelling a vice president of the Tennessee Gas Transmission Co., Leonard F. Lee, and his secretary, Dianne H. Hall, to answer questions of the grand jury. The two previously had refused to testify on the grounds of self-incrimination.

"Bug" Planting Checked

The grand jury has been trying to determine who planted the electronic eavesdropping "bug" that was found last April in the Mayflower Hotel suite of Malcolm T. Dungan, a San Francisco attorney. Dungan was representing natural gas interests in Federal Power Commission cases involving hundreds of millions of dollars.

JOSEPH SHIMON
... ex-policeman indicted

Among the cases at stake is the competition between Tennessee Gas and the El Paso Natural Gas Co., which Dungan represents, for the rights to build a pipeline to serve the profitable Southern California market for natural gas.

On May 10, Shimon said in a statement to his superiors that he and Jones had been intermediaries in getting the "bug" from Barber to its ultimate users. He denied that he had done the actual bugging of the hotel room.

However, the grand jury charged yesterday that prior to making this statement,

See BUG, A8, Col. 1

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149 NOV 15 1962

51 NOV 16 1962

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 11/16/62

BUG—From Page A1

Shimon, Aide Indicted In Hotel 'Bug' Probe

Shimon and Jones had attempted to talk Barber into testifying that the "bug" found in Dungan's room was not his property.

Indictments Cite Plot

Under the proposed conspiracy, the indictments alleged, Barber was to have told the grand jury this story:

He (Barber) had loaned a "bug" to Jones. This same "bug" was returned to him by Jones after discovery of the device in Dungan's room. Therefore, the "bug" found in the hotel could not have been the one that he supplied to Jones.

Instead, Barber, in his testimony before the grand jury, said the "bug" detected in the hotel definitely was his. He said further he had loaned it to Shimon and Jones and that when he asked for it back or for money, he was given a second "bug."

Jones, in later testimony, denied that his second "bug" was given to Barber to substantiate the conspiracy allegedly developed by himself and Shimon. The grand jury subsequently termed this denial a lie, and in the indictments returned yesterday, it charged that Shimon and Jones had assured Barber they would lie under oath to corroborate the story.

Both Deny Charges

Both Shimon, who retired July 3, and Jones, who retired July 31, have denied any wrongdoing. Shimon, who lives at 2912 N. Statler st., Arlington, said last night that he would have nothing to say until he and his attorney appear for the arraignment proceedings.

Harold J. Sullivan, the assistant United States Attorney handling the case, said that Jones has been in Florida since his retirement. He added, however, that Jones still maintains an addresss at 1111 Army-Navy dr., Arlington, and is expected back in Washington this week.

Shimon, a veteran of 33 years in police work, was considered one of the Department's most brilliant and successful detectives at the time of his retirement. He had been involved in a Mayflower eavesdropping case once before in 1949 when a Congressional committee was investigating wiretaps on telephones of lawyers engaged by airplane manufacturer Howard Hughes.

Hunted Mystery Man

At the time, Shimon said he had tapped the phones in pursuit of a mystery man who had allegedly been following the late Sen. Owen Brewster (R-Me.), then engaged in a feud with Hughes. Shimon subsequently was cleared of any wrongdoing by a police trial board.

Sullivan said Lee and Mrs. Hall testified before the grand jury yesterday after Judge Edward M. Curran signed an order compelling them to show cause why they should not answer the jury's questions.

Sullivan also said that the grand jury, the first Federal panel ever called in a major industrial espionage case, still had "one or two meetings to go" before completing its investigation.

JOHN A. JONES
. . . indicted in "bugging"

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'Bug' Probe Reported Nearing End

A-3

The four-month grand jury investigation of the Mayflower Hotel "bugging" incident is drawing to a close, according to an attorney for some of the principals in the probe.

James I. McInerney, who has appeared with several employes of the Tennessee Gas Transmission Co., said yesterday he understood from Government attorneys that the probe could end this week.

The grand jury is looking for possible violations of housebreaking or communications laws in the planting of a tiny microphone-transmitter in the hotel suite of Malcolm T. Dungan, attorney for El Paso Natural Gas Co. El Paso and Tennessee Gas are rivals in applications before the Federal Power Commission to serve Southern California.

Clyde Hargrove, who has presented the case for Tennessee Gas in one FPC hearing, was one of yesterday's witnesses. He told reporters the power competition had been "a dog fight all the way" with the outcome still uncertain.

Hargrove said he would tell the grand jury he knew nothing about the bugging incident and derived no benefits from anything learned through electronic eavesdropping.

Another witness was May French, a receptionist for Tennessee Gas, who had pleaded possible self-incrimination in an earlier appearance before the panel. McInerney said Miss French answered all questions under an order by District Court Judge Edward M. Curran granting her immunity from prosecution.

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The Washington Post and Times Herald
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The Wall Street Journal
The National Observer
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Employe of Gas Co. Told to Show Up

Masia French, an employe of the Tennessee Gas Transmission Co. here, was ordered yesterday to appear in District Court Tuesday to show cause why she should not be made to testify—under immunity from prosecution—in the Mayflower Hotel bugging case.

She took the Fifth Amendment July 13—without immunity—before the grand jury investigating the bugging of an El Paso Natural Gas Co. suite at the hotel. The two gas companies are vying for a rich franchise to serve southern California.

Two other Tennessee Co. women employes have testified with immunity.

WIRETAP.

Alleged Attempt To Intimidate and Bribe Witnesses in "Wire-tapping" Mayflower Hotel, Washington D.C. Information concerning

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The Washington Post and Times Herald
The Washington Daily News P12
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 10/25/62

We conducted limited investigation into the allegations of intimidation and bribery. Investigation re "bugging", trespass, etc conducted by Metropolitan Police Dept and Federal Communications Commission. One Metropolitan Police Dept detective has been indicted on perjury charge in this matter.

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Secretary Testifies in 'Bugging' Case

A District grand jury investigating last spring's bugging of an El Paso Natural Gas Co. lawyer's Mayflower hotel suite heard testimony yesterday from a secretary of a rival firm — Tennessee Gas Transmission Co.

Mrs. Joyce Anderson took the stand at the closed hearing after being promised immunity from prosecution by Assistant U. S. Attorney Harold Sullivan. She was the second Tennessee Co. secretary to testify under these terms.

Two unidentified private detectives also testified yesterday.

El Paso and Tennessee are fighting before the Federal Power Commission for a rich franchise to serve southern California.

BUGGING Hagley

Alleged Bribery and Intimidation of Witnesses Regarding "Wire Tap", Mayflower Hotel, Washington, D.C., U.U.I. Information Concerning

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The conducted limited investigation as to possibility of bribery and subornation of perjury. Investigation re the "bugging", trespass and unauthorized radio transmitter was conducted by Metropolitan Police Dept. and Federal Communications Commission

The Washington Post and Times Herald
The Washington Daily News 0-16
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 10-23-62

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Perjury Indictment Cites Ex-Detective

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A District Grand Jury investigating the Mayflower Hotel bugging incident indicted a retired Washington detective yesterday on a charge of perjury.

John A. Jones, 50, of 1111 Army Navy drive, Arlington, was linked by the Grand Jury to an alleged attempt to get another witness to lie. The jury's indictment of Mr. Jones also mentioned Inspector Joseph C. Shimon, who applied for retirement last May after 21 years on the police force and has since retired, and Wayne G. Barber, a private detective.

No charges were brought against either Inspector Shimon or Mr. Barber.

The Grand Jury is expected to meet again within a week and there is a possibility of further indictments.

The indictment alleges that on or about July 2 Detective Jones perjured himself before the Grand Jury when he denied any knowledge of a scheme to get Mr. Barber to lie under oath.

JOHN A. JONES

Small Listening Device

Since April the Grand Jury has been looking into possible law violations in the alleged placing of a cigarette-pack sized electronic listening device in the hotel room of a lawyer for El Paso Natural Gas Co. The company is involved in a multi-million dollar case before the Federal Power Commission over a pipeline request.

According to yesterday's indictment, an attempt was made last May to have Mr. Barber claim to the jury that the transmitter found under a coffee table in lawyer Malcolm T. Dungan's hotel room was not the one Mr. Barber allegedly provided.

Inspector Shimon gave Mr. Jones a transmitter to be passed along to Mr. Barber "as a basis for Barber relating an untruthful story before the Grand Jury," the indictment said.

Series of Questions

Detective Jones allegedly perjured himself during this series of questions put by Assistant United States Attorney Harry Sullivan.

Mr. Sullivan: The specific question is, Did Inspector Shimon give this second transmitter to you to pass to Barber as a basis for Barber coming down here and telling this Grand Jury a lie at Shimon's suggestion and Barber would say "Look, I got the bug back that I loaned to Jones and to Shimon. I made a mistake the first time and just thought it was my bug in the Mayflower"?

Detective Jones: No sir, if he had any arrangements like that I would never have done that. That is not the way it was.

Mr. Sullivan: Definitely not that way?

Detective Jones: No sir. If he had done that I would never have taken that thing to Barber. I would have nothing to do with it. If those things had been said between them and I overheard it, I would immediately have done something about it. I would have gone to someone else about it but I wouldn't be

W.R.G. Tap

File 63-7612

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date SEP 19 1962

63-7612-A

NOT RECORDED
133 SEP 27 1962

SEP 25 1962

a party to anything like that, me telling lies to the Grand Jury about those things.

Recognizes Materiality

Mr. Sullivan: You see the materiality of it?

Detective Jones: Yes, I can see it, yes sir. But if that arrangement had been made I definitely would not have done anything like that.

The indictment also gave a few clues into the nature of the lengthy investigation. In establishing that Detective Jones' testimony was material to the investigation the indictment said that the jury was looking into "the identity and actions of an individual or individuals" who might have entered Mr. Dungan's hotel room "without lawful authority," or "for the purpose of operating a radio transmitter in violation of the Federal Communications Act."

The jury also confirmed earlier reports that it was looking into possibility of bribery or attempt to intimidate one of its witnesses.

FBI Called In

Last May the FBI was called in to investigate an alleged attempt to bribe one of the witnesses appearing in the bugging case. Agents were known to have talked to Detective Jones and Mr. Barber.

Inspector Shimon reportedly told his superiors about that time that he was an intermediary in obtaining the bug from Mr. Barber.

Mr. Barber, who has appeared several times as a witness, said he turned the original transmitter over to Mr. Shimon through Detective Jones, but that he did not know that the device would be used for other than official purposes.

0-19 (Rev. 3-2-62)

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Hotel 'Bug' Jury Hears Gas Combine Officials

By John P. Mackenzie
Staff Reporter

Top officials of the Tennessee Gas Transmission Co., one of the world's largest utilities, testified yesterday in the grand jury probe of the "bugging" of a Mayflower Hotel suite.

In their wake, six lower echelon employes appeared for a second time. Their attorney, James M. McInerney, said some of the witnesses had pleaded possible self-incrimination in refusing to testify at earlier sessions.

What question were asked and what answers were given at the secret session, neither McInerney nor Assistant United States Attorney Harold J. Sullivan would say.

It was the first acknowledgement of Fifth Amendment pleas by anyone other than Peggie Louise Everitt, secretary to William C. Braden, vice president in charge of Tennessee's Washington office. Miss Everitt, who answered some questions yesterday, has re-

See GAS, A12, Col. 1

FPC attorneys fight application of gas companies to serve Los Angeles area.
Page A12.

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ALLEGED BRIBERY AND INTIMIDATION
OF WITNESS REGARDING "WIRE TAP"
ROOM 633, MAYFLOWER HOTEL
WASHINGTON, D. C.
4-4-62
INFORMATION CONCERNING

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 4-12-62

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FEDERAL

GAS—From A1

Jury Hears Gas Officials In 'Bug' Quiz

fused to answer others despite a Government offer of immunity from prosecution.

The grand jury is seeking evidence of possible violations of the Federal Communications Act in the planting of a tiny microphone transmitter in the hotel suite of Malcolm T. Dungan, attorney for El Paso Natural Gas Co., in April.

The investigation was touched off by Dungan's $275,000 civil suit against three private detectives and the discovery by Federal investigators that an aviation wave length was used in the electronic eavesdropping.

El Paso and Tennessee Gas are rivals in applications for Federal Power Commission permission to build new gas lines to serve Southern California. Braden yesterday stuck by his denial six months ago that Tennessee Gas had ever employed the private detectives or has any connection

Leading a parade of company witnesses were H. Gardiner Symonds, chairman of the Tennessee Gas board of directors; Harold R. Burrow, president of the giant combine, and R. L. McVey, executive vice president. All said they traveled voluntarily from the home office in Houston, were "asked a series of questions and answered them all."

Miss Everitt then appeared for five minutes and, according to McInerney, answered the grand jury's questions. But McInerney, one-time head of the Justice Department's Criminal Division, added that yesterday's questions were not the same ones Miss Everitt has been ordered by District Court to answer on Oct. 2.

[illegible] the Gov- [illegible] power privilege tes- [illegible] executive [illegible] ins to be fought out in the courts, McInerney said. At issue is whether the communications laws make a valid provision for immunity.

Another repeat witness was William W. Witmer, a Tennessee Gas senior vice president who had not been asked to appear again. Witmer, who volunteered for a five-minute appearance, gave no direct answer to questions from newsmen as to wether he had refused to answer grand jury questions.

Other witnesses included vice president Leonard F. Lee and his secretary, Diane H. Hall, and office supervisor Joseph A. DiCesare and his secretary, Joyce Anderson.

Waiting in the corridors, but not called as a witness, was private detective Wayne G. Barber. Barber testified in May that he gave a "bug" similar to the one used in the Mayflower to Insp. Joseph W. Shimon and Det. John A. Jones, two District policemen who retired from the force when the probe began.

Shimon told his superiors that he acted as an intermediary in the Mayflower matter, but that he and Jones had no knowledge that the device might be used for any illegal purpose.

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Detective Testifies In Bugging

John A. Jones, a veteran Second Precinct detective who has been linked to the Mayflower Hotel "bugging" incident, testified yesterday for more than four hours before a District grand jury.

Jones, 50, was called twice before the secret session. Each time he left the grand jury room, Insp. Joseph W. Shimon was recalled for further questioning.

Shimon, who retires today as head of half the city's precinct detectives, and Jones, who come up before a retirement board July 9, have denied any illegal conduct. The grand jury is seeking evidence of possible violations of housebreaking, conspiracy or Federal communications laws.

The probe began after Malcolm T. Dungan, attorney for El Paso Natural Gas Co., a firm involved in two multi-million-dollar cases before the Federal Power Commission, found a tiny microphone-transmitter in his hotel suite and discovered electronic receiving gear in a nearby room.

Waiting to testify again yesterday was Wayne G. Barber, a private detective who said he gave the "bug" to Shimon and Jones. No charges have been placed by the grand jury.

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MISCELLANEOUS - INFORMATION
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The Washington Post and Times Herald A9
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
Date 7-3-62

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Jury Hears 'Bug' Case Plaintiff

By John P. MacKenzie
Staff Reporter

Utilities attorney Malcolm T. Dungan described yesterday the electrifying moments when he learned that a "bug" in his hotel suite was beaming out confidential strategy for a multi-million-dollar natural gas struggle.

Dungan said he had "no suspicion" that his conferences with officials of his client, El Paso Natural Gas Co., were reaching hostile ears when the electronic eavesdropping was discovered April 2. He talked to a reporter after his appearance before a District grand jury.

Dungan, who declined to discuss his testimony before the panel, said a tiny microphone transmitter was discovered in his suite by accident.

During a conference with attorneys and company officials, Dungan said Barry Hunsacker, chief pipeline engineer, walked out of the suite and heard the voice of El Paso president Howard Boyd whom he had just left, coming from a room down the hall.

Hunsacker, who also testified yesterday, returned to the suite and whispered to Boyd, below the noise level of the crowded room, "it is imperative that I talk to you outside."

Hunsacker than confided his suspicions that an electronic receiver was monitoring their conversation, Duncan said. Boyd later told the group.

Duncan hired a private investigator and consulted with Washington attorney Paul R. Connolly, another of yesterday's grand jury witnesses. Duncan said he decided to file a civil suit.

The action touched off the grand jury probe for possible violation of house bugging, conspiracy or Federal communications laws. It names as defendants Pvt. Dets. John W. Leon and Oliver W. Angelone and attorney John J. Frank.

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The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

JUN 28 1962

0-19 (Rev. 3-2-62)

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Detective Testifies in 'Bug' Case

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Jones, 50, was called twice before the secret session. Each time he left the grand jury room, Insp. Joseph W. Shimon was recalled for further questioning.

Shimon, who retires today as head of half the city's precinct detectives, and Jones, who come up before a retirement board July 9, have denied any illegal conduct. The grand jury is seeking evidence of possible violations of housebreaking, conspiracy or Federal communications laws.

The probe began after Malcolm T. Dungan, attorney for El Paso Natural Gas Co., a firm involved in two multi-million-dollar cases before the Federal Power Commission, found a tiny microphone-transmitter in his hotel suite and discovered electronic receiving gear in a nearby room.

Waiting to testify again yesterday was Wayne G. Barber, a private detective who said he gave the "bug" to Shimon and Jones. No charges have been placed by the grand jury.

Wire Tap Mayflower Hotel

File

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date JUL 3 1962

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0-19 (Rev. 3-2-62)

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Eavesdropping Suit Dismissal Denied

By John P. Mackenzie
Associated Press

District Court Judge George L. Hart Jr., yesterday refused to dismiss a $250,000 damage suit over the Mayflower Hotel "bugging" incident, but voiced doubts that the victim can win a claim that his privacy was invaded.

The judge, who has ordered a halt to electronic eavesdropping on consultations between attorneys Malcolm T. Dungan and his client, El Paso Natural Gas Company, said the basic legal question is unsettled and higher courts must settle it.

Defendants in the suit, focus of a multi-million-dollar fight for West Coast utility franchises, were given 30 days to answer Dungan's contention of trespass and invasion of the lawyer-client relationship.

The defendants, former FBI agent John J. Frank and private investigator Oliver W. Angelone and John W. Leon, have pleaded possible self-incrimination in refusing to answer several questions about the planting of a small microphone in Dungan's hotel suite. Criminal aspects of the case are being explored by a District grand jury.

Judge Hart's comments on the privacy claim came as defense attorney Edward L. Carey challenged its legal basis. Most of the court rulings on the subject deal with illegal actions by law officers, not private individuals.

For many years, the Judge said, most lawyers thought there was no basis for an invasion of privacy suit in the absence of a specific law supporting it. He noted that another judge ruled in 1955 that such a claim existed and the U. S. Court of Appeals affirmed him without ruling precisely on the point.

"It seems to me the more modern trend of the law is that people do have the right" to prosecute such a claim, Judge Hart said. "Unless," he added, "there is some overriding public interest involved, such as where violations of law are being investigated."

"I see no overriding public interest in allowing the bugging of a room," the Judge concluded.

Judge Hart turned aside Carey's claim that Dungan's client not Dugan himself, must be the one to complain that his privacy has been violated. Also rejected was Carey's contention that the hotel, not the transient occupant, must bring the trespass complaint.

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The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

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199 JUN 14 1962

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0-19 (Rev. 3-2-62)

Shimon Bid To Quit Police Turned Down

Police Insp. Joseph W. Shimon was denied a request for immediate retirement as a matter of public relations, Police Chief Robert V. Murray explained yesterday.

Shimon, 55, who is to appear before a District grand jury investigating the Mayflower Hotel "bugging" case, disclosed Thursday that he had requested retirement and asked waiver of the usual 60-day waiting period.

Murray reported the decision to deny immediate retirement after meeting yesterday morning with Walter N. Tobriner, president of the Board of Commissioners.

It would not look well to the public if Shimon left the Department while the grand jury investigation is in progress, Murray said.

Later, Deputy Chief John B. Layton, police liaison man in the "bugging" probe, reported the decision to Assistant United States Attorney Harold Sullivan, who is directing the investigation.

Shimon, a policeman for 33 years, had borrowed the tiny transmitter that was found in April in the Mayflower suite of a West Coast lawyer involved in a case before the Federal Power Commission.

He did nothing unlawful, however, and the investigation was not related to his retirement request, Shimon says. He said he was disappointed by Murray's decision but would abide by it.

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NOT RECORDED
199 JUN 11 1962

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

JUN 2 1962

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0-19 (Rev. 3-2-62)

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Obsolete, Manufacturer Says of Mayflower Bug

By PHIL THOMAS
Star Staff Writer

A Washington electronics manufacturer, who specializes in evesdropping devices, yesterday said the transmitter used in the Mayflower Hotel "bugging" case is "obsolete equipment."

Richard L. Bast, president of the Redex Corp. and a licensed private detective here, said he "ought to know," since the "bug"—found last month in the Mayflower room of San Francisco Attorney Malcolm Dungan—was built by Robert H. Bodholdt, Mr. Bast's partner in the Redex firm.

Mr. Bast said the Mayflower device was originally developed about five years ago by Bodholdt in hopes of selling similar models to Federal Government intelligence agencies.

However, Mr. Bast said, the Army rejected the device three years ago, and it was then made available to "private individuals." Among those individuals was Wayne G. Barber another private investigator here, who got the device about a year and a half ago—six months before Bast and Bodholdt went into business together.

On Airline Frequency

According to a statement made by Washington Police Inspector Joseph W. Shimon, the inspector got the device from Barber, turning it over to three other private detectives. Inspector Shimon has denied he had any knowledge the bug was to be used for any illegal purpose.

Federal Communications Commission investigators have said tests of the Mayflower bug revealed the device transmits on a commercial airline frequency. They said it doesn't hold its frequency very well—conceding this is not absolutely necessary for private investigators.

According to Mr. Bast, Redex has developed more sophisticated equipment recently.

He said that standard Redex items so far are being offered for sale only to Government investigative agencies, but added that he is currently engaged in a struggle with the Army Department to gain acceptance of this equipment.

Sources in the Pentagon have indicated an evaluation board turned down these latest Redex devices on grounds they don't meet standards for worldwide use, even though they might be very effective for private investigative work.

Bias Claimed

Mr. Bast claimed the evaluation report was "biased and inaccurate," saying the Army had informed him it had no set standards for such electronic eavesdropping devices.

And it has been learned that some Army intelligence units have used the Redex equipment on a limited basis, feeling it is acceptable.

Mr. Bast said he has asked for an official investigation of the dispute, but that no action had been taken on this request.

He added that, unless the Redex units are accepted, he and Mr. Bodholdt will be forced to sell them to private individuals.

Citing their effectiveness, he pointed out that one of the standard Redex items is a telephone tap device only about 2 cubic inches in size. This transmitter, he claimed, has an "indefinite" life and a range of a quarter of a mile.

He said another Redex eves-

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NOT RECORDED
199 MAY 31 1962

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

MAY 24 1962

305

51 JUN 22 1962

dropping unit can operate for 10 days unattended and takes up less than three cubic inches. The life of the unit can be extended to a month and a half, he claimed, merely by adding another battery pack. This extended-life device takes up no more space than a king-sized pack of cigarettes.

Unit in Match Box

While refusing to allow photographs of these stock items "for security reasons," Mr. Bast displayed a "custom built" unit housed inside an innocent appearing match box. This evesdropping device, Mr. Bast claimed, will transmit sound signals of conversation a distance of several blocks in a congested city area—a distance of two miles with no obstructions, like buildings, in the way.

The battery of this tiny unit will last for 36 hours, he said.

Mr. Bast is one of several persons who have been questioned by the United States Attorney's Office in connection with the Mayflower bugging case. Prosecutors directing a grand jury investigation of this matter have also received reports of two other evesdropping incidents—both in Los Angeles.

Mr. Dungan has filed a civil suit here charging three private detectives with evesdropping on conversations in the Mayflower dealing with a large natural gas company's effort to gain Federal Power Commission approval of construction of a pipe line in the Western United States.

0-19 (Rev. 3-2-62)

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New Bugging Revealed, Is Linked to Case Here

By PHIL THOMAS
Star Staff Writer

A Los Angeles lawyer for a natural gas company revealed last night that an electronic eavesdropping device was found in his Beverly Hills office.

The lawyer, Bentley Ryan, said he has been employed for several years as an attorney for the El Paso Natural Gas Co. Early last month Malcolm T. Dungan, a San Francisco attorney also representing El Paso Natural Gas, dicovered a listening device taped under a coffee table in his Mayflower Hotel room in Washington.

And on March 11, Guy W. Wadsworth, jr., president of the Southern Counties Gas Co. of California, found that the telephone in his ninth floor office in Los Angeles had been tapped. Southern Counties Gas is allied with the El Paso firm in efforts to gain a Federal Power Commission license for El Paso to build a gas transmission pipeline from Rock Springs, Wyo., to the California State line.

California Probe Fails

Mr. Ryan said the "bug" in his office was discovered by Reed Wilson, a Hollywood electronics specialist. The Los Angeles lawyer said he had not connected this "bug" with his employment by the El Paso company until he learned from Mr. Wilson last night that Mr. Wadsworth's phone had been tapped at about the same time.

Mr. Ryan said the California Attorney General's office had made an investigation in an effort to determine who may have planted the "bug," but had been unable to come up with an answer.

Mr. Wilson told The Star last night that he and an associate, Clyde N. Duber, had determined that a listening device in the Beverly Wilshire Hotel—a half block from Mr. Ryan's office—had been picking up signals from the bug in Mr. Ryan's office.

Expects to Be Witness

Mr. Duber said he discovered a Los Angeles private investigator in a Beverly Wilshire room, but had been unable to determine who had hired the man to listen in on conversations in the Ryan office.

Mr. Wilson, a former Washingtonian, said last week that he expects to be called as a witness before a Federal grand jury here investigating the Mayflower bugging case.

Mr. Wilson stayed at the Mayflower Hotel on March 28, arriving here by plane from New York. He left Washington the next day and flew to Los Angeles. He has declined to say why he was in Washington but has insisted his visit here had nothing to do with the bugging of Mr. Dungan's room in the Mayflower.

In the Mayflower case Mr. Dungan has filed a civil suit in District Court against three Washington private investigators, accusing them of planting an electronic listening device in his Mayflower room in late March or early April. On April 4, United States marshals armed with a court order entered a room near Mr. Dungan's room, discovering a tape recorder and an electronic receiver.

The Washington Post and Times Herald
The Washington Daily News
The Evening Star A-7 FINAL
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date 23 1962

REC- 57

NOT RECORDED
199 MAY 29 1962

EX-113

62 MAY 31 1962

0-19 (Rev. 3-2-62)

Telephone 'Bug' Revealed in Room Of Natural Gas Firm's President

By Leslie H. Whitten
Staff Reporter

A pill-box size "bug" turned up in the telephone of a natural gas company president in Los Angeles two months ago, it was learned yesterday. The firm is allied with the victim of the mysterious Mayflower "bugging" case here.

The discovery of the two "bugs" led the Los Angeles firm to call in Washington investigators last month to search electronically in the Statler here for a third bug, but none was found.

The Los Angeles firm is the Southern Counties Gas Co., a major natural gas distributor in Southern California. It supports the efforts of the El Paso Natural Gas Co. to bring in natural gas from Wyoming.

A lawyer for El Paso, Malcolm T. Dungan, claims his Mayflower Hotel suite was "bugged" in late March or early April. El Paso has a multi-million-dollar case before the Federal Power Commission. If it wins it will supply gas through Southern Counties to the rich Southern California market.

"We Ought to Check"

The president of Southern Counties Gas Co. is Guy W. Wadsworth Jr., whose office is on the ninth floor of a downtown Los Angeles building.

About two months ago, according to Vice President Ludlow Shonnard Jr., Wadsworth told aides "I think we ought to check," and a special investigator was called in.

Working without electronic detection equipment, the private detective discovered a tiny transmitting device attached inside Wadsworth's telephone, according to Shonnard.

"We were flabbergasted," said Shonnard. "We found out we were sitting ducks." Shonnard said Reed Wilson, a security specialist with offices in Los Angeles was retained to "keep us from being sitting ducks again."

Since then, said Shonnard, Wilson has been working out a system to protect the company from future "bugging" of offices or conferences. Wilson was in Washington at the Mayflower on March 28 and 29, but when reached in Los Angeles yesterday he declined to say why. Wilson is a former Washington resident. Shonnard said he was not in Washington in connection with any Southern Counties activities.

Has a Suspect

Shonnard said he has suspicions about who put the "bug" in Wadsworth's telephone, but no proof. The "bug" is in the company's custody, he said.

In April, representatives of Southern Counties and other gas firms siding with El Paso in its fight before the FPC against other gas interests were in Washington at the Statler.

When the Mayflower "bugging" story broke, said Shonnard, a private investigator was called and he electronically "vacuum cleaned" the rooms at the Statler used by the representatives. However, no "bug" was found. A Statler spokesman said he knew of no "bugging" at the hotel.

Shonnard said yesterday that "we have never employed anybody for eavesdropping. But we have had to take precautions against others doing it to us. We are still babes in the woods on these things." Shonnard said he knew nothing of a report that still another "bug" had turned up in the office of a lawyer in California who has a gas company as one of his clients.

The Mayflower "bugging" has led to a civil suit against two private detectives and an attorney. A grand jury is now seeking to determine whether any criminal charges are warranted. Police Inspector Joseph W. Shimon has said that he helped supply the Mayflower "bug" with no knowledge it might be used illegally. He is scheduled to appear before the grand jury.

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The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date MAY 16 1962

0-19 (Rev. 3-2-62)

Who's Got the Bug?

Police Inspector Joseph Shimon has gotten himself quite a reputation as an authority on wire tapping and bugging. He played a conspicuous if not altogether glorious role in the great Hughes-Brewster scandal in 1947. When Sen. Claude Pepper investigated wire tapping in the Capital in 1950, Inspector Shimon, then a lieutenant, admitted that he tapped telephones in 1947 to investigate a man allegedly shadowing Sen. Owen Brewster but denied having tapped the telephone of Sen. Josiah Bailey. And now, perhaps to show that his hand has never lost its skill, he has acknowledged that he was an intermediary in providing the ingenious little electronic device used in the Mayflower Hotel "bugging" case.

The Inspector denies that he had anything to do with the "bugging" itself or that he had any knowledge that the "bug" might be used for any illegal purpose. It is puzzling to find such an absence of sophistication in a detective of long experience, reputed to be among the brightest and ablest members of the Metropolitan Police Force. What useful, lawful, decent employment is there for gadgets of this kind?

Since a grand jury is currently investigating the Mayflower Hotel affair, conclusions concerning it are premature. But the community will want to know more than it now knows about Inspector Shimon and about how commonly "bugging" is practiced in this Capital of the free world.

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NOT RECORDED
199 JUN 4 1962

50 JUN 4 1962

The Washington Post and Times Herald A-14
The Washington Daily News
The Evening Star
New York Herald Tribune
New York Journal-American
New York Mirror
New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date

MAY 4 1962

0-19 (Rev. 3-2-62)

Helped Get Device, He Declares

But Inspector Denies Any Role In Eavesdropping

By Leslie H. Whitten
Staff Reporter

Metropolitan Police Inspector Joseph W. Shimon said in a statement yesterday that he was an intermediary in providing the famous "Mayflower bug," but he denied he did the bugging, it was learned.

In a statement to Chief of Detectives Edgar E. Scott, Shimon said he and Second Precinct Det. John A. Jones got the "bug" from private investigator Wayne G. Barber, 33.

But, said Shimon's statement, he and Jones were only a channel in getting the "bug" to its ultimate users, whose names were not made public. Shimon's statement said he and Jones had no knowledge that the tiny electronic device might be used for any illegal purpose.

Chief Confirms Statement

Reached at home, Shimon, a veteran of 33 years, referred all questions to Police Chief Robert V. Murray, who would only confirm that Shimon made a statement yesterday. Jones, according to Murray, made a statement Tuesday and spoke again with Deputy Chief Scott yesterday. Scott, it was learned, also interviewed other detectives on the Mayflower case and other matters.

Barber, named in Shimon's statement as the owner of the "bug," has said he told the District grand jury investigating the case that he thought Shimon and Jones were at fault for an official investigation.

Shimon's statement reportedly mentioned a purported attempt to influence a Federal official which allegedly was behind the "bugging."

Barber Claims Threat

Barber meanwhile said yesterday he was told in an anonymous telephone call that he would be found "floating down the river." His attorney, Rutherford Day, informed the United States Attorney's office of the threat.

Day said Barber was first called after his first appearance before the grand jury and told by un unknown male voice that "you'd better toe the line."

Shortly after his second grand jury appearance a week ago, said Day, Barber was called by a man with a different voice which said "You're gonna be floating down the river."

Barber said he regarded the threats as made by "some crackpot." Nevertheless, he went to the Metropolitan Police Special Investigation Squad to get a special police commission. The commission, under certain circumstances, would let him carry a gun to and from work.

Inspector John L. Sullivan, chief of the squad, said he was holding up any action on Barber's application pending the outcome of the grand jury hearing. He said the application also was incompletely filled out.

Mum on FBI Role

The Justice Department refused yesterday to say whether the FBI has entered the case. The FBI reportedly was asked to investigate whether a grand jury witness has been offered a bribe.

The case originates from discovery last month of a battery-operated listening device in the suite of a West Coast power combine lawyer, Malcolm T. Dungan.

Marshals found an FM receiver and a tape recorder in a room nearby. Claiming that his business conversations had been monitored, Dungan sued private detectives John W. Leon and Oliver W. Angelone and attorney John J. Frank.

Shimon's and Jones's statements were made against a background on which two giant utility power combines are fighting before the Federal Power Commission for the right to supply Southern California with natural gas.

Dungan represents El Paso Natural Gas Co., a firm which seeks to run a pipeline from Wyoming to the rich California market.

Their adversary is Tennessee Gas Transmission Co. and its subsidiaries and allies who want to bring in the gas through Texas and Mexico to the same area. The case involves millions of dollars in gas sales and service.

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New York Post
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The New Leader
The Wall Street Journal
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MAY 1 1962

0-19 (Rev. 3-2-62)

Probe of Bribe Report Asked in Bugging Case

By PHIL THOMAS
Star Staff Writer

The FBI has been asked to find out whether a grand jury witness was offered "hush money" in the Mayflower Hotel bugging case.

However, it has been learned that no decision has been made on whether or not the FBI will follow up on the request. There apparently is some doubt whether the Federal investigative agency can properly step into the case at this point.

The FBI itself has had only "no comment."

The grand jury, so far, has questioned a private investigator and a second-precinct police private about reports that the investigator, Wayne G. Barber, 33, turned an electronic eavesdropping device over to other policemen under the impression that the listening device was to be used in an official investigation.

Other Officers to be Called

United States Attorney David C. Acheson has said that Police Inspector Joseph W. Shimon and Second Precinct Detective John A. Jones will be called to testify before the grand jury. Detective Jones applied for retirement from the police department last Saturday.

Today Detective Chief Edgar E. Scott held closed-door conferences with Inspector Shimon and Detective Jones. Deputy Chief Scott reiterated a previous statement that police would not formally investigate the "bugging" until the grand jury had acted, but it was learned a stenographer was taking notes. And Chief Scoot was working on his usual day off.

Mr. Barber appeared at the Special Investigations Office today to apply for a special police commission to act as a security officer at the Burlington Hotel. Inspector John L. Sullican said a routine investigation required in such applications would not be completed until after the grand jury completes its investigation.

The case became public last month when Malcolm T. Dungan, a San Francisco lawyer, complained in a civil suit filed in District Court that his Mayflower Hotel room had been "bugged." He said conversations held in the room about a Federal Power Commission case concerning a gas pipeline were recorded by private investigators in another room of the hotel.

The El Paso Natural Gas Co., which Mr. Dungan represents, is seking a license to build a pipeline from south of Salt Lake City to the California border. The proposal is to transmit natural gas coming down from Canada through other pipelines and eventually to distribution companies in the State of California itself.

Another company, the Tennessee Gas Transmission Co., has asked the Federal Power Commission to license the transmission of natural gas from West Texas fields into Mexico. The proposal is to build a pipeline across Northern Mexico, then transmit the gas back into the United States to Southern California pipelines. each of these firms is seeking to defeat the licensing requests made by the other firm.

It is against this background that a tape recorder allegedly tended by a Washington private investigator was discovered down the hall from Mr. Dungan's Mayflower room.

The grand jury is trying to pin down just who was responsible for bugging Mr. Dungan's room.

The stakes in the case before the Federal Power Commission total close to a billion dollars—with each pipeline estimated to cost a half billion. Also at issue is which company will be able to transmit natural gas to the booming California market. For instance, it has been estimated that there are as many new gas meters installed in the city of Los Angeles in a year as there are gas meters in all of Rochester, N. Y.

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The Wall Street Journal
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Grand Jury Tampering Charged

FBI Asked to Probe Report of Bribe Offer to Witness in 'Bugging' Case

By Leslie H. Whitten
Staff Reporter

The FBI has been asked to investigate a report that a grand jury witness in the Mayflower Hotel "bugging" case was offered a bribe.

The inquiry request is pending before the Justice Department. United States Attorney David C. Acheson, who heads the grand jury investigation, declined to confirm or deny that he has called for FBI help.

Acheson referred questions to the FBI which also declined comment. Thus far, the FBI has played no active part in the case which broke last month when San Francisco attorney Malcom T. Dungan reported a "bug" had been found under a coffee table in his Mayflower suite.

Dungan, who was appearing in a multi-million-dollar gas pipeline case before the Federal Power Commission, claimed his business conversations were monitored by the "bug" and receiving equipment found in a nearby room.

The grand jury has been investigating to see whether housebreaking or Federal Communications Commission violations occurred. There has been doubt expressed as to whether the FBI has jurisdiction to investigate.

The report of possible tampering with a Federal grand jury witness introduces a new factor, however, and the question is being studied at Justice.

Police Inspector Joseph W. Shimon and Second Precinct Det. John A. Jones are scheduled to testify before the jury, but a date has not been set. It has been reported previously that private investigator Wayne G. Barber, 33, had testified that he gave a microphone-transmitter similar to the one used in the Mayflower case to Jones, who requested retirement last Saturday.

Barber said he believed the "bug" was intended for official police use by Shimon and Jones. Both police detectives have denied involvement in the Mayflower case.

Police Chief Robert V. Murray said yesterday he is delaying a departmental investigation until he gets a "green light" from Acheson, presumably when the grand jury has completed all deliberations which might involve any police officers.

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The Washington Post and Times Herald A-1
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New York Daily News
New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
The National Observer
Date MAY 10 1962

Police to Investigate 'Bugging' Case on Own

Murray Orders Inquiry of Men To Follow Grand Jury Probe

By PHIL THOMAS
Star Staff Writer

A separate police investigation of the Mayflower Hotel "bugging" case will be launched after the current grand jury inquiry into the case is completed.

This was announced yesterday by District Police Chief Robert V. Murray after it was learned that the FBI has been asked to enter the case to make inquiries to determine possible violations of Federal law.

The grand jury is investigating possible violations of Federal law dealing with operation of a radio transmitter without a license and with housebreaking.

Two witnesses appeared before the grand jury yesterday, one of them a private detective, Wayne G. Barber. Mr. Barber reportedly told the grand jury that he turned an electronic eavesdropping device over to a Washington detective under the impression the device would be used in an official investigation.

Transmitter Found

The "bugging" case came to light when a tiny radio transmitter was discovered taped to the underside of a coffee table in the Mayflower Hotel room of Malcolm T. Dungan early last month.

Mr. Dungan represents a group asking Federal Power Commission certification of a natural gas line to Southern California.

It was Mr. Barber's fourth appearance before the grand jury. Twice he had refused to answer questions on grounds the answers might tend to incriminate him. He finally answered the questions last Thursday after he was offered immunity from prosecution and was ordered by a District Court judge to respond.

Two Police Face Quiz

Yesterday United States Attorney David C. Acheson announced that two Washington policemen, Inspector Joseph C. Shimon, 55, a detective supervisor, and Second Precinct Detective John A. Jones, 50, will be called to testify before the grand jury in connection with the private detective's earlier testimony. Detective Jones submitted his request for retirement last Saturday, effective July 5.

Chief Murray said he does not know when the two men will be called to testify.

Deputy Police Chief John B. Layton, who has conferred with Mr. Acheson about the case, said the independent police investigation will determine whether there is evidence of wrongdoing by any policemen reportedly involved in the case by Mr. Barber. Deputy Chief E. E. Scott will conduct the investigation along with Deputy Chief Layton.

The deputy chief said he does not know when the grand jury will complete its inquiry concerning police involvement in the case.

As for the FBI's role in the investigation, it is not clear at this time just what phase of the case agents will look into.

No Comment

Asked about this, an FBI spokesman said the investigative agency has "no comment" to make concerning the case.

However, it has been learned that one line of inquiry being followed by the United States attorney's office is concerned with a mysterious blond who was discovered in a Mayflower Hotel room not far from the room occupied by Mr. Dungan. Mr. Dungan has filed a civil suit against John W. Frank, a former FBI agent, and Oliver W. Angelone and John W. Leon, both private investigators. They are accused of eavesdropping electronically on conversations in the Dungan hotel room.

Mr. Angelone was allegedly in the room with the blond and a tape recorder. However, they both slipped out when United States marshals knocked on the door, and the blond hasn't been seen since.

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ALLEGED BRIBERY & INTIMIDATION OF WITNESS REGARDING "WIRE TAP," ROOM 633, MAYFLOWER HOTEL, WASHINGTON, D.C., 4/4/62
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FACES CALL—Police Inspector Joseph W. Shimon, above, and Second Precinct Det. John A. Jones, who recently asked retirement, will be summoned before a District grand jury investigating the alleged "bugging" of an attorney's hotel suite here, U. S. Atty. David Acheson said. Insp. Shimon said, "I have nothing to hide."

ALLEGED BRIBERY AND INTIMIDATION
OF WITNESS REGARDING "WIRE TAP,"
ROOM 633, MAYFLOWER HOTEL,
WASH., D. C., APRIL 19, 1962

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The National Observer
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0-19 (Rev. 3-2-62)

'Bug' Probe To Summon Shimon

Jury Also to Call Detective Jones, Seeking to Retire

By Leslie M. Whitten and Alfred E. Lewis
Staff Reporters

A top Metropolitan Police official and a veteran detective will be called before the District grand jury investigating the Mayflower Hotel "bugging" case, United States Attorney David C. Acheson said yesterday.

The official is Inspector Joseph W. Shimon. The detective is John A. Jones of the Second Precinct, whose request for retirement was submitted Saturday and made public yesterday.

Acheson declined to say when the men will testify or why they are being called. Both Shimon, 55, supervisor of half of the detectives in the precincts, and Jones, 50, a 21-year veteran, were named in testimony before the grand jury last week. Both have denied being involved in the case.

Wayne G. Barber, 33, a private detective, testified he gave Jones a "bug" similar to one which subsequently wound up under the coffee table of a lawyer for a West Coast Utilities combine. Barber said he believed he was supplying the tiny microphone-transmitter for Shimon.

Barber said he was told the "bug" was for an official investigation. He appeared before the grand jury on April 27 and invoked the Fifth Amendment, which was called back last Thursday, granted immunity from prosecution, and ordered by District Court Judge Edward A. Tamm to testify. He was before the grand jury for more than an hour.

The grand jury is seeking to determine whether housebreaking, Federal Communications rules violations or other offenses were committed in the Mayflower case.

The case became public when the West Coast lawyer, Malcolm T. Dungan, filed a civil suit to end "bugging" of his suite. Marshals, acting on courts orders, entered a room near Dungan's and found an FM receiver and a tape recorder.

Named by Dungan as defendants are private investigators Oliver W. Angelone and John W. Leon and attorney John J. Frank. All have invoked the Fifth Amerment under questioning by Dungan's attorney, Paul R. Connolly. Their own attorney, Edward L. Carey, is seeking dismissal of the suit.

No criminal charges have been filed in the case.

Shimon, on the force 33 years, was a key figure 12 years ago in a spectacular wiretapping case. Although he was alleged to have tapped the wires of aircraft Magnate Howard Hughes, he denied it and it was never proved.

Jones, a former Coast Guardsman, turned in his request for retirement Saturday, according to Acting Capt. John J. Kinney of the Second Precint. Kinney said it had a clerical flaw in its preparation which must be corrected before any action can be taken.

Officials estimated that Jones would be able to retire with 55 per cent pay. Police rules provide for voluntary retirement after 20 years' service.

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The New Leader
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The National Observer
Date 5-8-62

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Grand Jury to Quiz D.C. Police on 'Bugging'

Several metropolitan policemen are scheduled to testify in the broadening grand jury investigation into the "bugging" of a Mayflower Hotel suite, United States Attorney David C. Acheson said today.

Among those to be called are Inspector Joseph C. Shimon, 55, a detective supervisor, and Second Precinct Detective John A. Jones, 50, who has just requested retirement after 21 years on the force.

"The matter of the police officials being involved is a side issue," Mr. Acheson said. "I don't want to give the impression that this is a great dragnet operation.

Inquiry to Be Long

"I expect the investigation will be a long one, certainly beyond this week. We have a long distance to go."

Mr. Acheson refused to say what links Inspector Shimon and Detective Jones will be asked to supply to the riddle of who eavesdropped on the conversations of Attorney Malcolm T. Dungan. Mr. Dungan represents a group seeking Federal Power Commission certification of a natural gas line to Southern California.

Mr. Acheson said four or five more witnesses would be heard this week, but that Inspector Shimon and Detective Jones were not to be called today.

To date the jury has heard two witnesses, Wayne G. Barber, 33, a private detective, who at first refused to testify on grounds his answers might tend to incriminate him, but later acquiesced to a court order after the United States attorney offered him immunity from prosecution.

Rumors Spread

After Mr. Barber testified the rumor spread that certain policemen had knowledge of the electronic listening device found under a coffee table in the Dungan suite.

The grand jury is seeking to find responsibility for installation of the device from which Mr. Dungan's conversations were transmitted to another suite of the hotel early last month. The jury wishes to learn whether it involved housebreaking, or whether any Federal Communications Commission regulation was violated.

Mr. Dungan brought legal focus on the case with a civil suit to stop the electronic eavesdropping. Named as defendants in this case were John J. Frank, former FBI agent, and Oliver W. Angelone and John W. Leon, both private investigators.

Mr. Acheson indicated that other policemen will be summoned by the grand jury. These possibly include Detective Sergt. Everett A. Sadler and Detective Robert R. Gould of the general assignment squad, who have been assisting the United States Attorney's office in the investigation.

One of the most colorful po-

See BUGGING, Page A-5

The Washington Post and Times Herald
The Washington Daily News
The Evening Star
New York Herald Tribune
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New York Post
The New York Times
The Worker
The New Leader
The Wall Street Journal
Date

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BUGGING

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licemen on the force, Inspector Shimon has since February, 1960, had charge of the western detective district.

Twelve years ago Inspector (then Capt.) Shimon was a central figures in Senate and grand jury investigation into wire-tapping. Among the phones suspected of being tapped were those of Howard Hughes, multimillionaire industrialist and movie magnate, at the Mayflower and Carlton Hotels. Capt. Shimon was cleared after the investigations and a later Police Department trial board.

Police Chief Robert V. Murray refused to comment on the bugging case today. He said he had been requested by Mr. Acheson not to talk about the matter until the grand jury has completed its case. This advice will be followed in event he is questioned by members of a House Appropriations subcommittee before whom he will soon appear, the chief said.

Capt. John J. Kinney, acting commander of the second precinct, said Detective Jones submitted his retirement request Saturday, and that it was being forwarded to administrative headquarters this morning. As a veteran of more than 20 years, Detective Jones is entitled to retire with at least 40 per cent of his pension.

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Court Upsets Shimon Conviction

By Jesse W. Lewis Jr.
Washington Post Staff Writer

The U.S. Court of Appeals reversed the conviction of retired Metropolitan Police Insp. Joseph W. Shimon yesterday and ordered a new trial for him in connection with the 1962 Mayflower Hotel bugging case.

Shimon, 58, a veteran of 33 years' police service, was convicted in July, 1964, for conspiring to have a witness lie to a District grand jury and for obstructing justice. He was sentenced to serve from 16 months to four years in prison.

The charges grew out of bugging of the Mayflower Hotel suite of a San Francisco attorney who was here representing a firm competing for a multimillion-dollar pipeline franchise in California.

The Court of Appeals opinion, written by Circuit Judge Warren E. Burger, noted that the Court was "reluctant that a lengthy trial should go for nought, but other considerations must control." Judges Charles Fahy and Carl McGowan concurred.

The "other considerations" were that the Government asked a character witness questions that may have prejudiced the jury and that the trial judge did not permit a complete answer to those questions.

During the 19-day trial, retired Chief Judge Nathan Cayton of the D.C. Court of Appeals appeared as a character witness for Shimon.

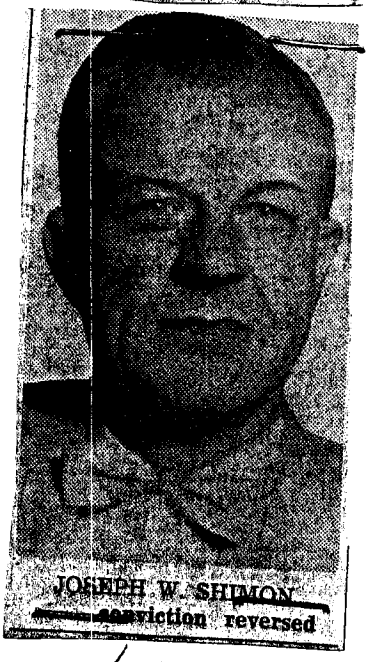
On cross examination by a Government attorney, Cayton answered "yes" to questions about whether he had heard "the report" that Shimon had lied to a Senate subcommittee investigating wire-tapping in 1950.

The reports were of publicized police Trial Board charges preferred against Shimon in 1952 for falsely testifying to the subcommittee. The Trial Board acquitted Shimon by a 2 to 1 vote.

Cayton was unable to tell Court of the Trial Board acquittal because of Government objections sustained by Judge William B. Jones.

The Court of Appeals ruled that the questions were too closely related to the indictment on trial and could have been asked without mentioning wire tapping.

The opinion also stated that Cayton was denied the opportunity to say he had heard the charges were dismissed. "This was indispensable to fairness," the opinion said.



JOSEPH W. SHIMON
Conviction reversed

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The Washington Post and Times Herald
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